

Labette County

Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors 6/27/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 20 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Labette County economy.¹

These 20 sectors have a total direct output of approximately **\$206.5 million** and support **1,216 jobs** in Labette County. Running the model for all 20 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Labette County Economy					
Contribution Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵
Direct Effect	1216.4	9.54%	\$61,429,965	7.65%	\$206,502,077
Indirect Effect	177.8	1.39%	\$13,754,660	1.71%	\$28,459,320
Induced Effect	56.4	0.44%	\$3,448,895	0.43%	\$6,561,189
Total Effect	1450.6	11.38%	\$78,633,521	9.79%	\$241,522,585

As shown in the above table, agriculture, food, and food processing sectors support **1,451 jobs**, or **11.38%** of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 20 agriculture, food, and food processing sectors is approximately **\$78.6 million**, or **9.79% of the GRP**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

<https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis>

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **938 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Labette County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	937.5	\$134,291,568
Support activities for agriculture and forestry	60.8	\$1,101,680
Wholesale trade	57.6	\$8,308,918
Grain farming	52.2	\$23,523,231
Narrow fabric mills and schiffli machine embroidery	41.9	\$6,167,049
Veterinary services	33.7	\$3,358,242
Truck transportation	33.3	\$6,340,271
Oilseed farming	18.2	\$23,480,810
All other crop farming	17.1	\$1,647,340
Real estate	14.8	\$1,366,126

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector directly contributes approximately **\$134.3 million** to the Labette County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	937.5	\$134,291,568
Grain farming	52.2	\$23,523,231
Oilseed farming	18.2	\$23,480,810
Wholesale trade	57.6	\$8,308,918
Truck transportation	33.3	\$6,340,271
Narrow fabric mills and schiffli machine embroidery	41.9	\$6,167,049
Veterinary services	33.7	\$3,358,242
Farm machinery and equipment manufacturing	7.8	\$3,086,758
Animal, except poultry, slaughtering	4.3	\$2,879,149
Monetary authorities and depository credit intermediation	14.6	\$2,859,534

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Labette County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	18.2	\$23,480,810.17
Grain farming	52.2	\$23,523,231.51
Vegetable and melon farming	0.2	\$46,410.19
Fruit farming	0.8	\$100,784.14
Tree nut farming	3.9	\$864,647.21
Greenhouse, nursery, and floriculture production	0.3	\$62,596.22
All other crop farming	17.1	\$1,647,340.42
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	937.5	\$134,291,564.94
Dairy cattle and milk production	3.8	\$2,086,636.30
Poultry and egg production	0.8	\$887,518.94
Animal production, except cattle and poultry and eggs	8.5	\$1,288,719.89
Commercial hunting and trapping	4.6	\$91,266.30
Support activities for agriculture and forestry	60.8	\$1,101,679.92
Animal, except poultry, slaughtering	4.3	\$2,879,148.72
Bread and bakery product, except frozen, manufacturing	8.9	\$1,071,568.97
Frozen cakes and other pastries manufacturing	0.6	\$84,184.48
Narrow fabric mills and schiffli machine embroidery	41.9	\$6,167,049.41
Farm machinery and equipment manufacturing	7.8	\$3,086,757.66
Veterinary services	33.7	\$3,358,241.80
Landscape and horticultural services	10.5	\$381,916.58

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Labette County, the retail sector was omitted.